

# The Proposed Kirkland Aquatics and Recreation District

# Frequently Asked Questions

# What is the Kirkland Aquatics and Recreation District?

If approved by voters, the Kirkland Aquatics and Recreation District (District), also called a metropolitan park district, would be a taxing district created for the management, control, improvement, maintenance and acquisition of parks, boulevards, and recreational facilities.

# Why is the District being considered?

The Kirkland City Council is exploring the formation of the District as a funding mechanism for the development of the Aquatics, Recreation and Community Center (ARC).

### What would the District boundaries be?

The District boundaries will mirror the boundaries of the City of Kirkland as they currently exist or as they may exist following future annexations.

# Who will govern the District?

The Kirkland City Council would be the ex-officio governing board (The District Board). The City would also adopt an ordinance to authorize the City Manager to sign an interlocal agreement (ILA) with the District, should its creation be approved by the voters. That ILA describes how the City and the District would cooperate in providing the services funded by the District.

For more information or to ask a question go to: **kirklandwa.gov/kirklandarc** 



### What is an Inter-Local Agreement (ILA)?

It is an agreement that directs the City to use the funds collected through the District as they are described in the ILA. The ILA calls for oversight, reporting, and public review of spending priorities.

# Can the ILA be changed or terminated?

Yes. If adopted, the ILA could be amended or terminated in the future by the City and/or the District.

# Who will provide oversight on how the City spends taxpayer dollars?

Under the proposed ILA, the Park Board will advise the District Board on activities including: reviewing an annual District operating budget, and producing an annual accountability report documenting activities and actions.

### Can the District be dissolved?

Only the District Board can dissolve the District.

Under state law, a petition by 10% of the voters from the last general election can prompt the District Board to consider dissolving the District.

# Can District funds be allocated to cover other city needs?

State law limits District funds to parks and recreation purposes as described in RCW 35.61.

# The District is an independent taxing authority. Do they have to comply with labor contracts and other city laws?

Under the proposed ILA, the City would provide all support services and is required to comply with City laws, ethics rules, and labor contracts.

# Who will own the facility?

Park and recreation land, facilities, and equipment preserved and maintained with District funds are and will remain the property of the City of Kirkland. Under the proposed ILA, any new or replacement land, facilities, and equipment created or developed with District funds would become the property of the City of Kirkland.

# Who will decide the District's annual budget?

The City Council, acting as the District Board, will approve the District's budget and provide oversight.

### What would the tax rate be with the District?

The projected cost to build the ARC Center ranges from \$48 million to \$60 million. Because a site has not been selected, the following chart is intended to only illustrate the potential levy rate:

Project Capital Cost	\$48 million	\$60 million
Annual City Debt Service 1/	\$2.9 million	\$3.7 million
Estimated Property Tax Rate per \$1,000 AV <sup>2/</sup>	\$0.1597	\$0.1996
Monthly Impact on Median Household <sup>3/</sup>	\$5.79	\$7.24

1/ 30 year repayment term; 4.5% interest rate2/ Based on 2015 Assessed value of \$18,453,587,9633/ 2015 Median house value of \$435,000; King County Assessor

